FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 194 *7 October 1981*

ARGENTINA

MID Officials, Frondizi Demand Elections for 1984 B 1
Liendo Briefs Church Leaders on Political Plan B 2
Economic Crisis Viewed by Former Minister B 2
Guatemalan MLN Leader Gives Press Conference B 2
Peron Allowed To Continue Residence in Spain B 3
Briefs: Wheat Harvest Prediction B 3

BOLIVIA

Media Ask for Suspension of Mandatory Network C 1
[EL DIARIO 29 Sep]
Siles Suazo Statement on U.S. Policy Criticized C 1
Country Wants Outlet to Sea Without Compensation C 2
Planning Minister Comments on Reagan Speech C 2
Salvadoran Delegation Arrives To Explain Proposal C 2
Hungary Grants Loan for Agricultural Research C 3
Briefs: New Japanese Ambassador; Interim Information Minister; Military Court President Installed C 3

BRAZIL

Galveas Has No Fear of U.S. Pressure on IDB D 1
[O GLOBO 5 Oct]
Foreign Minister Approved for Cancun Meeting D 1
[O ESTADO DE SAO PAULO 2 Oct]

CHILE

Port Workers Cease Work in Labor Law Protest E 1
Further on Protest E 1
Bishop Discusses Pope's Beagle Mediation E 2
Purchase of British Warships Being Studied E 2

ECUADOR

President Hurtado Holds News Conference in Quito G 1
CEPE Manager Comments on Oil Sales Abroad G 8
No Oil for U.S. Reserves G 8

VENEZUELA

Reaction to U.S. Congress Approval of F-16 Sale L 1
Radio Broadcasters Criticize Government Measures L 1
Minister Criticizes Texaco's 'Desire for Profit' L 2
Envoy to Managua Scores French-Mexican Statement L 2

MEXICO

Country To Oppose Restrictive Measures at Cancun M 1
France Seeks To Participate in Nuclear Plan M 1
New Secretary of Programming, Budget Named M 1
Diaz Serrano Named New Ambassador to USSR M 1
Cuba's Malmierca Makes Statement During Stopover M 2

PANAMA

Solidarity Committee Condemns Hawk View Exercise N 1
Haitian Groups Attend Solidarity Conference N 1

CENTRAL AMERICA

COSTA RICA

Solidarity Meeting With El Salvador Concludes [Havana] P 1

EL SALVADOR

Reports on Further Army, Guerrilla Clashes P 1
Attack on Convoy [Radio Venceremos] P 1
Bomb at Brewery [Radio Venceremos] P 1
Army Attack on Town [Havana] P 1
Hinton Remarks Contrasted With U.S. Actions [Radio Venceremos] P 2

GUATEMALA

Two Soldiers Killed in Fight With Rebels [Havana] P 3

HONDURAS

Paz Suspends Coast Visit, Meets With Officials P 4
Relations With Nicaragua Normal, Says Minister P 4

NICARAGUA

Ortega UN Speech To Cover Crisis in Region P 4
'Specific Proposal' on El Salvador P 5
Borge Terms Threat of Aggression 'Real' P 6
Exercise Increases Uncertainty P 6

CUBA

Belgrade Radio Cites Cuba's International Activity [Belgrade] Q 1
Nicaraguan on Radio Stations' Role in Revolution Q 2
Castro, Sao Tome President Hold Talks 5 Oct Q 2
Briefs: Yugoslav Party Delegation; Q 2
Barbados Martyrs' Anniversary

MID OFFICIALS, FRONDIZI DEMAND ELECTIONS FOR 1984

PY061441 Buenos Aires TELAM in Spanish 2320 GMT 29 Sep 81

[Text] Buenos Aires, 29 Sep (TELAM) -- Officials of the Integration and Development Movement (MID), headed by former President Arturo Frondizi, this afternoon demanded of Interior Minister Horacio Tomas Liendo that the people's right to hold elections not be delayed beyond 1984. They also harshly criticized the economic situation because it is a growing factor for political instability.

The meeting between MID leaders and Minister Horacio Tomas Liendo held this afternoon is the fourth meeting since political dialogue with political groups began.

The meeting was attended by the interior minister and the following MID leaders: Arturo Frondizi, president; Rogelio Frigerio, first vice president; Americo Garcia, second vice president; Antonio Salonia, president of the national convention; Francisco Aguirre, secretary general; Eduardo Amaro Porciel, under secretary of institutional affairs; and Mario Maffei, general director of political affairs.

Acccrding to the document released at Government House, the MID representatives told the minister they are convinced that a dialogue is part of the struggle or [words indistinct] under certain circumstances and that this is the objective for national unity.

The MID said, however, that remarks have been made which do not contribute to the appropriate environment. The MID leaders indicated that it is necessary to correct this situation because talks can only be carried on when the parties are willing to accept, without prejudice, the opinions presented to them.

They said that exceptions should not be made on who must participate, particularly the Justicialist Party because it undoubtedly has popular support.

They emphasized that it is not acceptable for talks to be limited to future institutional situations, and that it is necessary that the interior minister listen to the position of the parties on the entire national political situation.

They indicated that there is an urgent need to reestablish democratic rights and those regarding human rights. They demanded the normalization of political and union activities, emphasizing that it is inconceivable that Argentine workers, who are experiencing a steep drop in their wages buying power and alarming unemployment, be deprived of the right to strike so strongly defended by Pope John Paul II.

Regarding the people's right to hold elections, they said that after so many contradictory statements, elections should not be delayed beyond 1984 and that it is essential to normalize union activity and put an end to the arbitrary application of a legislation made for subversives which is being implemented against people who are afraid to lose their jobs or business.

Regarding the economic situation, they indicated that after an ineffective adjustment of the monetary exchange rate -- not satisfactory because it was unilateral -- the economic team has acted just as its predecessor had to cover up the crisis instead of facing it and solving it. They added that the new economic team has not made the changes the country wants, that it is only making adjustments to insure the continuity of the very policies responsible for the crisis. They added that the economic situation -- in addition to its destructive effect on the efforts of the Argentine people and the possibilities of the nation -- is a growing factor of political instability. They demanded a change of direction through realistic measures aimed at putting an end to speculation over productive investment and other measures of an economic nature.

At the end of the meeting held in Escudos Hall of the Interior Ministry from 1800 to 2045, Frondizi talked briefly with reporters, emphasizing that the dialogue was vibrant and held in a cordial environment.

In answer to a question, Frondizi said: We are not against the country, we are for it. He also said that a stable democracy cannot be achieved in the short or long term if the military government does not previously expand democratic rights.

In conclusion, Frondizi said that the political parties will be consulted about the writing of a future statute for political parties and that Minister Liendo has confirmed that all political groups will be called, including the Justicialist Party.

LIENDO BRIEFS CHURCH LEADERS ON POLITICAL PLAN

PY062248 Buenos Aires Domestic Service in Spanish 2000 GMT 6 Oct 81

[Excerpt] Interior Minister Maj Gen Horacio Tomas Liendo this morning reported to members of the Argentine Episcopal Commission on the scope of the governmental political plan. At the end of the meeting, Minister Liendo told reporters that he and the church leaders had discussed the political plan. He also acknowledged that it was the first time that the Catholic Church had been briefed on the subject by the government.

The minister reiterated that the political parties' statute will be ready in the first half of 1982, and he gave assurances that the release of persons who are detained at the disposal of the Executive Branch will continue to be implemented as it has been done so far as fast as each particular case can be studied.

ECONOMIC CRISIS VIEWED BY FORMER MINISTER

PY052107 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1400 GMT 2 Oct 81

[Text] Buenos Aires, 2 Oct (NA) -- Former Industry Minister Eduardo Oxenford has said that "unemployment levels are following a dangerous trend" and that this situation is the "result of one of the worse crises that the productive system has undergone in its history." Oxenford, who has been the only minister of Roberto Viola's original cabinet to resign -- having done so 1 and 1/2 months ago -- has said that "with such excessively high interest rates as those which are in force in Argentina, there can never be a genuine productive system that will generate profits and that will attract the necessary investment to create jobs for the population."

The former minister added that industrial development is "virtually paralyzed," and that the "production of goods is increasingly expensive in Argentina, where capital and technology are scarce, where large-scale economic plans are missing and where overall inefficiency is increasingly worsening." He also said that as a consequence of the contraction of the economy "several tens of thousands of Argentines have left the country, mainly university professionals, technicians and qualified manpower whose training has demanded significant expenditure from the country."

GUATEMALAN MLN LEADER GIVES PRESS CONFERENCE

PY061800 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0023 GMT 3 Oct 81

[Text] Buenos Aires, 2 Oct (NA) -- Guatemalan politician [first name indistinct] Fernandez Gradiz stated here today that guerrilla groups are operating in 17 of the 22 provincial departments of his country and maintained that "Argentines and Uruguayans are members of many of them."

Fernandez Gradiz said that "Montoneros and Tupamaros operate in Guatemala, with Mexico as their central guerrilla camp" and disclosed that "our army has killed many of them in various operations."

Fernandez Gradiz and other leaders of the National Liberation Movement (God-fatherland-liberty) made statements during a press conference at which he asked for support from the Argentine Government to "act firmly against the Castro-communist terrorism" rampant in Central America.

The Guatemalan leader showed his resentment at the fact that Argentina had voted for Belize's independence despite "having a conflict with England over the Malvinas Islands."

The main parts of the press conference dealt with the upcoming elections in Guatemala in which, he said, the National Liberation Movement is in a position of reaching power "because it has a majority," as long as "the elections are free and without internal or external manipulation."

Fernandez Gradiz defined his party as linked with what is considered "the right, because of its total aversion to communism and everything that has to do with the left or subversion." He stated: "He who has a bomb or comes for a talk with submachinegun does not listen to reasons and does not know of dialogue, and the only possible language is violence."

Fernandez Gradiz referred to the role the armed forces should play against subversion and said that "it is not enough to eliminate guerrillas, because they can multiply." "The struggle should be taken up on other fronts, such as in the political and social aspects, by improving the standard of living of the population and with a press and publicity campaign to offset the international discrediting campaigns."

The Guatemalan leader also maintained that "the armed forces should be kept apart from politics, which erodes and corrupts, because their function should be to safeguard democracy and defend the institutions by complying with their specific function."

PERON ALLOWED TO CONTINUE RESIDENCE IN SPAIN

PY051956 Buenos Aires TELAM in Spanish 1640 GMT 5 Oct 81

[Text] Buenos Aires, 5 Oct (TELAM) -- Federal Judge Eduardo Francisco Marquardt has extended by 3 months the authorization granted to former President Maria Estela Martinez de Peron to reside in Spain.

The initial authorization had been granted on 7 July by Federal Judge Pedro Carlos Narvaiz, who had released Mrs Peron. He had sentenced Mrs Peron to 7 years and 11 months imprisonment because of the charges against her in the cases of the Solidarity Crusade and the transference by decree of a building at 711 Moreno Street, in this capital, to the Justicialist Party.

The request to extend the aforementioned authorization was made recently by Attorney Manuel Arauz Castex, one of the former president's defendants, and was granted by Judge Marquardt who is temporarily replacing Judge Narvaiz who is on holiday.

BRIEFS

WHEAT HARVEST PREDICTION -- (NA) -- The 1981/82 wheat harvest could be of 10 million tons, according to the July-August agricultural survey of the Ganadero Argentino Bank. The sown area for wheat was estimated at 6.9 million hectares by the bank, 11.5 percent more than for the last harvest. The price for maize rose 63.1 percent during the two months, and sorghum 44.2 percent, the survey said. Grain exports during the first eight months of 1981 were 88.9 percent higher than during the same period last year, reaching 17,868,000 tons, the bank said. Maize exports were 7,803,000 tons and soybean 2,057,000 tons, Grain exports for July-August were 6,353,000 tons, 3.3 percent more than for the same period last year. [Text] [Buenos Aires HERALD in English 5 Oct 81 p 9 PY]

MEDIA ASK FOR SUSPENSION OF MANDATORY NETWORK

FY061646 La Paz EL DIARIO in Spanish 29 Sep 81 p 3

[Text of document jointly released in La Paz on 28 September 1981 by the National Press Association and the Bolivian Radio Broadcasting Association]

[Text] The National Press Association [ANP] and the Bolivian Radio Broadcasting Association [ASBORA] which form the press-radio agreement, again express their desire that the situation of the communications media be normalized within the framework of respect for the constitution which guarantees the freedom of expression and information.

To this effect and with reference to President Celso Torrelio Villa's statement that he will govern according to the law, the two organizations ask that the compulsory radio network which transmits three times per day be suspended, since there is no legal rule establishing it for an indefinite time, but it was rather of an exceptional nature.

They also ask that the free functioning of ASBORA be guaranteed as an organization of the private radio stations of all the country and that the summoning of newspaper directors and newsmen to the Interior Ministry be suspended, because, although these meetings are held to exchange ideas, opinions and reflections, they are clearly a way of trying to influence their opinions which, as we have pointed out in our statements of principles, should be exclusively based on the truth of facts and the safeguarding of the highest interest of the country.

La Paz, 28 September 1981

[Signed] ANP President Carlos Serrate Reich; ASBORA President Enrique Costas Salmon; ANP Vice President Mariano Baptista Gumucio; ASBORA Vice President Miguel Dueri

SILES SUAZO STATEMENT ON U.S. POLICY CRITICIZED

FY062245 La Paz Radio Illimani Network in Spanish 0100 GMT 6 Oct 81

[Editorial: "Our Word"]

[Text] It is a pity that there are Bolivians whose main efforts are aimed at discrediting the image of our country abroad and at wrecking the Bolivian economy, with the sole purpose of satisfying their selfish personal interests.

One of those harmful Bolivians, the well-known representative of the leftist international organization, Hernan Siles Suazo, has made statements in Bonn, FRG, with the purpose of harming the development of the country and disrupting the stability and social peace that Bolivia is enjoying.

This spokesman for international communism has charged that the United States is not interested in the democratization process in Bolivia. He has also stressed that for the United States, a democratic government is not a condition that should be met for the recognition of Bolivia.

What is Siles Suazo seeking to accomplish with those statements? He is obviously trying to disrupt the unwavering cordial relations between Bolivia and the United States. The true goal that he is trying to accomplish with his action is to drastically weaken the Bolivian economy in order to gain advantages in his selfish political strategy. In other words, he is trying to obtain political victories by creating economic chaos, which would bring about tremendous hardships to the Bolivian people. This is a contemptible action and it involves treason to the fatherland.

What is this gentleman doing in Bonn? The purpose of his stay in that city is to attend conferences sponsored by international political organizations, where not Bolivian interests, but rather the hegemonic interests of communist powers are taken into account. And who finances those trips around the world? Beyond all doubt, those expensive trips to New York, Europe and all over Latin America, are financed by the international Marxist organization with funds coming from the exploited peoples in the communist world. A logical question is then: What are the interests that this gentleman is defending? Beyond all doubt, the interests of the organization which finances his subversive activities: international communism.

Truly, it is sad and regrettable that this worthy land has bred individuals who sell it to foreign interests with the sole purpose of satisfying their selfish goals.

COUNTRY WANTS OUTLET TO SEA WITHOUT COMPENSATION

PY061754 Buenos Aires LATIN in Spanish 0138 GMT 2 Oct 81

[Excerpt] La Paz, 1 Oct (LATIN-REUTER) -- Bolivia wants Chile to recognize its right to return to the sea with a sovereign coast and port and without any territorial compensation.

This statement was made by Foreign Minister Gonzalo Romero in a document released to the press today. The document refers to recent remarks made by his Chilean counterpart Rene Rojas Galdames.

The Chilean foreign minister had stated in the United States that the initiative to reestablish relations with Bolivia must come from this country since it was Bolivia that interrupted relations in 1978.

In this regard, Gonzalo Romero stated that "the main problem does not lie in resuming diplomatic contacts or in reestablishing relations, but in the Chilean recognition of our right to a sovereign and useful port, without territorial compensation, as agreed upon by Chile in 1950."

He stated that "the people of Chile, as is well know, understand the injustice committed toward Bolivia in 1879, and I am sure that they are for the idea of seeking solutions to pave the road for a fraternal reunion for the benefit of the two countries."

PLANNING MINISTER COMMENTS ON REAGAN SPEECH

PY021442 La Paz Radio Illimani Network in Spanish 1130 GMT 2 Oct 81

[Excerpt] Countries must first resolve their domestic problems and then seek outside loans after ensuring that their development plans are coherent. This statement was made by Bolivian Planning Minister Adolfo Linares Arraya. This was the minister's opinion about the speech recently made by U.S. President Ronald Reagan. In response to questions from journalists, Minister Linares said: I believe that his speech was straightforward enough.

SALVADORAN DELEGATION ARRIVES TO EXPLAIN PROPOSAL

PY010340 La Paz Radio Illimani Network in Spanish 0100 GMT 1 Oct 81

[Excerpt] A mission of the revolutionary junta of the Government of El Salvador asserted that foreign penetration, by the use of great quantities of economic resourses from the communist orbit, is distorting the real situation in that Central American country. The mission consists of Col Julio Gonzalez Palomo, Salvadoran ambassador to Panama and Sara de Nosiglia.

During a press conference this afternoon, the envoys reiterated that the revolutionary junta of the Government of El Salvador will not negotiate with any armed groups in order to pacify the upset Caribbean.

During the press conference Colonel Gonzalez Palomo also stated:

[Begin Gonzalez recording] Another of our objectives is to explain to the Bolivian authorities the proposal through which the revolutionary junta of the government believes it will solve the problem of violence, which you are already aware of, because it believes that it is through democracy, through elections, that it will grant the Salvadorans the opportunity to choose their own future. [end recording]

HUNGARY GRANTS LOAN FOR AGRICULTURAL RESEARCH

PY011336 La Paz Radio Illimani Network in Spanish 1130 GMT 1 Oct 81

[Text] The Hungarian firm of (METRITEX) has officially announced that it has granted a $6 million loan to Bolivia in the form of laboratory equipment for agricultural research. The report indicates that the loan has been divided into several consignments, the first of which will amount to 30 percent of the total. The conditions for the loan are: 8.5 percent on the outstanding balance to be paid in equal semiannual installments.

BRIEFS

NEW JAPANESE AMBASSADOR -- The new Japanese ambassador, Toru Yoshimizu, presented his credentials to President Celso Torrelio in Government House yesterday. [La Paz Radio Illimani Network in Spanish 1130 GMT 6 Oct 81 PY]

INTERIM INFORMATION MINISTER -- President Celso Torrelio Villa has named Juan Carlos Duran, secretary general of the presidency, as interim information minister, while Information Minister Jaime Humeres Seleme recovers from a heart attack in Cochabamba. [La Paz Radio Illimani Network in Spanish 1130 GMT 30 Sep 81 PY]

MILITARY COURT PRESIDENT INSTALLED -- Defense Minister Armando Reyes Villa has installed Gen Oscar Larrain Frontanilla as president of the permanent court of military justice. [La Paz Radio Illimani Network in Spanish 1130 GMT 30 Sep 81 PY]

GALVEAS HAS NO FEAR OF U.S. PRESSURE ON IDB

PY061643 Rio de Janeiro O GLOBO in Portuguese 5 Oct 81 p 10

[Excerpts] On returning from Washington where he participated in the annual IMF meeting, Finance Minister Ernane Galveas stated yesterday that he has no fear that the United States will pressure the IDB to adopt restrictive measures on granting loans to Brazil similar to those proposed by the World Bank (IBRD).

According to him, Brazil contributes a large amount of resources to the IDB fund for special operations, which grants loans at lower interest rates for economically less developed countries, and therefore is not a great recipient of loans from the institution. Galveas reported that Brazil annually receives an average of $300 million from the IDB, a very small volume to merit any possible restrictions by the United States.

The finance minister termed very positive the results of the IMF meeting, but admitted that he had become apprehensive with the U.S. decision to veto the creation of new reserves with special drawing rights -- reserved currency used by the IBRD -- and to propose the promotion of Brazil to the level of developed countries, and therefore, of those without access to the resources of the institution.

However, Galveas stated, after a meeting I held with U.S. Vice President George Bush, I left more calm because I believe that there will be no change in the near future in the current classification of Brazil by the IBRD. Furthermore, World Bank President A.W. Claussen assured me that the financing operations for Brazilian projects will be maintained.

FOREIGN MINISTER APPROVED FOR CANCUN MEETING

PY061705 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 2 Oct 81 p 6

[Excerpt] Authorized Mexican Foreign Ministry officials stated yesterday in Mexico City that "there are no objections" to the presence of Foreign Minister Saraiva Guerreiro at the summit North-South Conference in Cancun as the representative of President Figueiredo.

Mexican Foreign Minister Jorge Castaneda did not object either to the designation of Saraiva Guerreiro to represent Brazil at the meeting. On the contrary, in New York he expressed "high understanding" of his designation due to the heart attack suffered by the president of the republic.

With the decision of acting President Aureliano Chaves, who gave full powers to Saraiva Guerreiro to speak in the name of the Brazilian Government at the Cancun Conference, Brazil will be the only country not to be represented by the president of the republic at the meeting.

Although Mexico has approved Chaves' initiative, in Brazilia the decision made by the acting president to not leave the country while President Figueiredo remains ill was criticized by Deputy Israel Dias Novaes [Brazilian Democratic Mobilization Party -- Sao Paulo State] Dias Novaes expressed solidarity with Nelson Marchezan, president of the Chamber of Deputies, because he feels that Chaves "did not leave Marchezan in a good position since [Marchezan] is the third in line of succession for the presidency."

Dias Novaes stated that "if the acting president refused to leave the country to participate in the Cancun Conference, it means, after all, that he is not willing to transfer power to the president of the Chamber of Deputies. Then, first of all, I express solidarity with Deputy Marchezan, whom I dream of seeing in the presidency because of the talent he has, but the acting president distrusts him."

PORT WORKERS CEASE WORK IN LABOR LAW PROTEST

PY061728 Buenos Aires LATIN in Spanish 2107 GMT 1 Oct 81

[Text] Valparaiso, 1 Oct (LATIN-REUTER) -- The loading and unloading work was slow today in the main Chilean ports, as the absence of unionized stevedores became more noticeable in their protest of the new labor legislation for their sector. The powerful Chilean Maritime Confederation (COMACH) with about 25,000 registered members decided today not to send lists of its registered workers to the shipping companies, which must thus do the loading with their own workers or with those who have received the new permit from the port authorities. COMACH President Martin Bustos told LATIN-REUTER that the decision was made because of the low pay and what the workers consider the lack of guarantees under the new hiring system for port workers.

Employer sources stated that work is going on normally, although there is a 20-percent slow-down in loading and unloading, since inexperienced workers are used. Valparaiso Port-Captain Juan Balmell said that work is normal, since there have been no accidents because such workers are used. The new labor legislation, in force since Saturday, eliminated the system of name rolls through which the unions provided registered workers for the shipping companies. The system was replaced with a register granted by the authorities. The government said that the new system eliminates the privilege of the registered workers who, in their turn, hired teams of workers to fulfill the contracts concluded with the shipping companies.

The ports most affected by the absence of registered workers were Valparaiso, where copper, fruit and pinewood are loaded and general cargo unloaded; Talcahuano, the main lumber export center, and San Antonio. The second most important port in Chile, where copper is loaded and grains received. Antofagasta, the main copper export port, mainstay of Chile's economy, and Iquique were also affected. Bustos said that COMACH lawyers are drawing up a letter which they will submit to President Augusto Pinochet with a repetition of a request that aspects of the new law be reviewed.

Further on Protest

PY061528 Buenos Aires LATIN in Spanish 2254 GMT 29 Sep 81

[Excerpts] Santiago, Chile, 29 Sep (LATIN-REUTER) -- Official sources have said that the Chilean Government will probably not authorize the forming of an orgnization uniting the various labor unions, proposed yesterday by a leader of the transport workers. The creation of a nationwide interunion body would be outside the scope of the present labor legislation which authorizes the forming of unions within each company or, at the most, according to the nature of work, sources of the National News Media Board [Direccion Nacional de Comunicacion Social -- DINACOS] told LATIN-REUTER.

Leon Villarin, a leader of the truckers union, yesterday proposed the creation of a "broad labor union organization" which would be "a valid participant in the dialogue between government and workers." The proposal was made at a time when various unions were criticizing and rejecting recent modifications of the labor legislation which they thought were harmful to their interests.

Meanwhile, other unions have repeatedly proposed reforms of the new labor legislation now in force, asserting that it eliminates decades of gains, such as the prohibition of mass dismassals, benefits of the labor sector and guarantees of job stability. The Chilean Maritime Confederation (COMACH) sent a letter to President Augusto Pinochet today asking him to take into consideration reforms of the new law which affects the workers of the sector. COMACH President Martin Bustos said: "The document, rather than a protest, is a report of the things that are happening to the maritime workers, things which I term as disquieting."

The unionists mainly protest the right to free hiring of port workers, a right which has affected the system of name rolls by which the work at the ports was regulated.

BISHOP DISCUSSES POPE'S BEAGLE MEDIATION

PY061446 Buenos Aires LATIN in Spanish 1900 GMT 3 Oct 81

[Excerpts] Santiago, Chile, 3 Oct (LATIN-REUTER) -- On returning from Rome today Chilean Bishop Francisco Jose Cox stated that the pope's mediation of the Chilean-Argentine southern conflict is experiencing difficult moments.

The bishop, who 2 months ago was designated secretary of the Pontificial Council of the Holy See family, told the press that the vibrant optimism of other times no longer exists.

Bishop Cox, who for several years had been head of the Chillan diocese, 400 km south of Santiago, expressed hope, however, that this period is the opposite of what is to come, of what will happen.

He also said that the recent publication by an Argentine newspaper of the supposed papal proposal presented to the two governments in an effort to solve the southern controversy has caused much uneasiness in Vatican City.

He stated: "Surely it caused a general uneasiness, especially because the pope had asked the two governments that the mediation be carried out in a climate of absolute discretion and prudence."

Bishop Cox explained that his functions in the Vatican are outside the mediation process and my impressions are those of a mere observer who listens, who hears things and who has certain contacts.

The bishop voiced his assurance that the pope will be able to find a better solution to the problem. The mediation is in his hands and that is sufficient guarantee, the bishop concluded.

PURCHASE OF BRITISH WARSHIPS BEING STUDIED

PY052004 Santiago Chile Domestic Service in Spanish 1730 GMT 5 Oct 81

[Text] Chile is currently studying whether it is convenient to purchase warships from Great Britain. This statement was made by the chief of staff of the navy, Vice Adm Maurice Poisson.

The high ranking navy chief explained that the British Royal Navy has withdrawn two of its units from active service for budget reasons.

Chile and other countries have received offers for the purchase of those vessels and the Chilean Navy is studying the offer.

Press reports from London indicate that Chile was going to purchase the vessels "Norfolk" and "Tidepool". The former, which can reach speeds of 30 knots, has a helicopter and it usually carries a crew of 470 men. The latter is a replenishment oiler of 27,000 tons and it can transport up to four helicopters. It can also operate in frozen seas.

PRESIDENT HURTADO HOLDS NEWS CONFERENCE IN QUITO

FBIS [illegible] Quito Domestic Service in Spanish 0135 GMT 5 Oct 81

[Ecuadorean President Osvaldo Hurtado Larrea radio and television news conference in Quito on 4 October -- live]

[Excerpts] [Question] Mr President, there is still much to be said about the referendum. We cannot prevent some political forces from expressing themselves on the subject in a manner not necessarily in favor of the government, but we are concerned over your statement on the institutionalist process of the country, therefore, I would like to ask you, does your government give any significance to the coup rumors? I recall that a few days ago the government minister said the country was experiencing nostalgic [words indistinct] for the dictatorship. Mr President, are you absolutely sure of your stability? How are your relations with the military high commands? [Passage indistinct] How can you restore the people's faith in democratic governments despite their disappointment because of the continuing and worsening of social problems?

[Answer] I disagree with opinions generally heard throughout the country about coups and military plots. My relations with the armed forces are based on the Constitution. In the same way I scrupulously respect the Constitution and laws, I also strictly abide by the military laws and regulations. I believe that this relationship between the armed forces and civilian authority is essential in a democratic system. Nothing is worse for a democracy .han establishing personal dependency and fidelity. The loyalty and fidelity of the armed forces is due to democracy, the Constitution and laws. On the other hand, you have witnessed in the past 3 years how the armed forces, as an institution, not as [word ind...tinct], contributed to restoring democracy in Ecuador. Without the armed forces, those who plotted against the referendum and against the first and second electoral processes, civilians as well as military, would have succeeded. But the military institution imposed its will through the decisions made by the junta of generals and admirals. This democratic tradition of the Ecuadorean Armed Forces expressed during the past 3 years, I believe, was reasserted on 2 August 1979 and it was confirmed on 24 May 1981. You will recall that in the speech delivered by the defense minister during the ceremony in which the navy commander in chief was replaced, he made a democratic statement that very few military chiefs had made before. This is an example of what I am trying to convey. I think that threats to democracy come from different channels. By this I mean that the deterioration of our economy, of our political institutions, the loss of people's faith on our democratic system, could make a conspiracy possible which we must stop and prevent. The government's concern is that some irresponsible political and economic sectors, instead of cooperating with the government to move our democratic system ahead and [word indistinct] major problems faced by our economy; instead of contributing to overcoming these problems, they are contributing to damaging the political and democratic system. During the past 20 years, civilians have plotted and called on the military to intervene in the nation's political life and to violate the Constitutional order. It is necessary to take all this into account in order to establish the responsibility of civilians to not create economic, social and political conditions favorable to the disruption of the democratic system.

I think the civilians, in the same way that they must not irresponsibly deal with the economic and political problems, must move away from the garrisons. They should express their faith in the democratic system instead of spreading rumors and intrigue, trying to create divisions within the military which don't currently exist and making them lose faith in democracy when in fact the military, through all their officers and members, has shown in the past 2 years of constitutional government that they support democracy and wish to definitely be removed from the political life of [word indistinct].

[Question] What I want to know is whether the changes being promoted by the government live up to campaign promises, the expectations of the Ecuadorean people and the slogan of the force of change? When will the force of change be genuinely implemented?

[Answer] I think it began to be implemented on 10 August 1979. It has continued to be implemented in the terms that you describe. You point out the advance of the literacy programs and the most important housing program in past years. I would add rural electrification, the feeder roads, the education of peasants and many other social achievements. The development model in the national plan, which we haven't changed, involves the transfer of resources to the popular sectors, giving priority attention to the rural sector and the abandoned groups. This is the model. It is not a model of the transfer of means of production, as some economic sectors -- which charge that we are statists -- have said. Instead, it is the transfer of resources, of the national savings, to the popular sectors through projects that benefit them, such as literacy, electrification, roads, telecommunications and so forth.

As for economic development, I must analyze the world economy. It has been rightly said in Ecuador that our economic growth in 1981 will probably be only 4 percent. But economic growth in the socialist countries will be from 1 to 2 percent per annum. In the industrialized capitalist countries, the growth rate ranges from 1 percent to less than 1 percent and even to negative growth. Therefore, in comparison with the industrialized capitalist countries and the socialist countries, our economic growth rate is three or four times as great.

The situation in the Third World countries without petroleum is one of stagnation and lack of growth. Some cases in Africa and Asia are dramatic. Now then, according to your reasoning, to have the economic growth and development offered in the electoral campaign, the growth rate must reach 6, 8 or 10 percent. However, those rates won't be achieved through mistakes in the management of economic policy.

The international economy shows inflation, high interest rates, and a drop in the purchase of the Third World countries' exports. The international economy, upon which we are dependent, doesn't permit us to have higher growth rates. For example, the price of cacao dropped by 20 percent in 1981 compared to 1980. The same is true of the price of coffee, which dropped by 25 percent, that of petroleum, which dropped by 10 percent, and that of bananas, which dropped by 7 percent. We can accomplish miracles in administering the national economy, but if our export situation isn't good we are lost.

However, despite the drop in prices, the results of our exports in 1981 aren't so dramatic, due to the increase in production and the volume of exports.

As for our inflation, about which there is so much talk, it is barely higher than that of the industrialized countries and much lower than the average inflation of Third World countries. I think that one of the successes of the government's economic policy is that inflation reached 13 percent last year and that it will be around (?15) percent this year. That is a success. Of course, the government's successes are never recognized in this country. If we had an inflation rate of 30 or 40 percent, which would have been possible if we had committed errors in managing our economic policy, then several ministers would have been called to appear before the Chamber of Representatives to explain such an inflation rate.

Some business sectors have expressed criticism similar to yours, in the sense that the government is to blame for an economic growth rate of 4 percent. At the same time, they say that the budget should be reduced to 40 billion [currency not specified] and that we shouldn't contract debts abroad. Well then, they should appoint a miracle maker as president of the republic, someone who could achieve an economic growth rate of 8 percent, reduce the budget by 30 percent and not contract debts abroad. This is simply impossible in economic terms.

[Question] [Word indistinct] to go back to the political subject, as mentioned by Patricio, all what you have said so far, Mr President, must necessarily have a substantial definition. At this point of the constitutional regime, what are the political goals of the government?

[Answer] I believe that the fundamental political objective of the government is the consolidation of the democratic system and not in the egotistical terms of ending a constitutional mandate. Many may think that the only thing the government is interested in today is to reach the 1984 elections and to hand over power.

I am not thinking in such an egotistical way. I am not thinking of the current regime, but rather of the political system in which we Ecuadoreans want to live. That is, the goal is not to keep the power. The objective is to consolidate the democratic institutions.

The second objective of the government -- the second political objective -- is to maintain social peace. I believe that one of the most important assets that Ecuador has is social peace. In this sense, our country is unique, not only on this continent but, I would say, in the world. We Ecuadoreans live in peace, unaffected by violence, by terrorists, by kidnappings which occur in other places. We are free of these evils suffered by other peoples. Naturally, since we live in peace we do not appreciate this blessing. This is our second objective.

The third political objective is to continue the process begun in the referendum of 1978. When these 3 years are analyzed in the future, when the historians study these 3 years, they will probably conclude that it was a rupture of two historical periods. In the same way that petroleum, it seems to me, separates two economic historical periods, likewise these 3 years separate two political historical periods. Through the referendum, a new political system began to develop in Ecuador -- for example, in the political parties.

If we want to reach port during this trip begun in the referendum of 1978, we need time. If we want to build a political system which would allow us to support the Ecuadorean democratic system -- that is, a political parties system of three or four political movements, hopefully two of the majority parties -- we need to have several electoral periods. It is likely that if a constitutional rupture occurs then the Constitution would not be harmed, but the political parties and the electoral process would be affected. The faith which has been fostered in many institutions in the past few years, with great effort, would be lost. These, I believe, are the three main political objectives of the government.

As for a social agreement, it is the result of the crisis. The only way to avoid the crisis is for the government and the opposition to reach an agreement. This is an essential political requisite. If it is possible to reach an agreement, then the government should be in the majority. A stable democracy requires a majority in the Chamber of Representatives. In a parliamenatary system, when the government in power loses the majority, the prime minister resigns. This is the political result. Socially, it is likewise necessary for the producers and the workers to reach an agreement. What about wages, for example! They should talk about the wages and increases. Productivity. This is another point I believe they could discuss. How should the workers receive training from the government and private enterprise and how they should contribute to increase their output and their productivity? These two issues and others could be discussed in a social agreement.

Until now we have managed to maintain the crisis within tolerable limits. For instance, we are asked to increase exports. Do you really think that we wouldn't increase our exports tomorrow, if it were possible to do so? We would have done it even earlier, 2 or 3 months ago. The problem is this: How will we increase exports if there is no international demand, if the industrialized countries have managed to substantially reduce their oil consumption? Few economists thought that this was possible. It has been done, however, both because their economies are at a standstill and because of the effects of an energy policy intended to reduce consumption and conserve fuels. So we can't export. Our exports are not growing in accordance with the development plan, the way they grew until 1980. And so it goes.

Since the government's current major goal is the maintenance of the economy's balance, we cannot be asked for results in economic growth or in supplying all of the public services the community requests from us. We cannot be asked for a number of things that would only be possible in a buoyant economy. Nor can we be asked to further a policy of change in the midst of such a difficult economic situation, which does not call for the abandonment of the model for changes proposed in the plan. This was [word indistinct] when I answered one of the earlier questions. Besides, I do not believe that words matter when it comes to change. This government is not fond of words or proclamations.

[Question] Mr President, given the current economic crisis, the decline in our exports and the difficulty in or little advisability of increasing the foreign debt, another solution is being suggested. It is being said in political circles that more facilities should be provided for foreign investment. It might be argued that this would increase the country's dependence, but in today's economically dynamic and changing world one might think that we are being more papist than the pope in this matter of being too careful about political matters and in avoiding this type of immediate solution. In your view, could foreign investments liberate the economy, which is currently at a standstill, to some extent?

[Answer] In 1979, the total foreign investment registered at the Central Bank amounted to $25 million. In 1980, it amounted to $42 million. Up until (?July) 1981, these investments amounted to $45 million. This means that under this democratic government, foreign investments almost doubled in 1980 and will probably double again in 1981. More foreign investment has flowed into the country under the terms established in the provisions of decision no. 24, which I think a suitable mechanism for regulating foreign investment. It is not true that in implementing this decision the government has become more papist than the pope. I think it is to the country's advantage to have foreign investment. Socialist countries, such as the PRC and the Soviet Union, are resorting to foreign capital, so why should we do without it?

I would like to take advantage of your question, however, to make another observation: Why has foreign investment grown so quickly under this democratic government? Could it be that foreign investors are acting philanthropically in Ecuador? I don't think so. Businessmen are businessmen. They invest in order to make business [words indistinct]. What is happening is that foreign businessmen trust Ecuador much more than Ecuadorean businessmen do. It is deplorable, but the former have greater confidence in our country.

[Question] Do we really have social peace in the country?

[Answer] There are very serious social injustices in the country. There is poverty and misery, but not at the levels that exist in countries of Asia and Africa. Our country has progressed significantly in recent years. However, poverty and misery undoubtedly exist, and as a result, so do latent social conflicts, which are sometimes expressed. This is the reason for work stoppages, strikes, occupations and so forth.

Nevertheless, despite this, there is no violence in Ecuador. When I speak of social peace, I mean that we don't have guerrillas and terrorism. We Ecuadoreans still enjoy the right to life, a right that doesn't exist in many countries in Latin America and the world. However, our social peace is as fragile as our economy and democracy. It can be broken. It can be broken by mistakes committed both by the government and by those who lead the opposition. This is why we need to handle our public actions with the utmost responsibility, so that we will not create conditions in which the latent factors that exist in Ecuadorean society will be expressed and explode. The worst thing that could happen in our country would be for the extreme right and extreme left to air their differences like they do in other countries of the continent. All of us -- not only the government and the opposition, but the news media and, in general, all Ecuadoreans -- can make a contribution.

I think this situation is based on a tradition in Ecuador. Ecuador has had many dictatorships. I once made a statement in this regard and I was told that I was praising the Ecuadorean dictatorships.

That is not true. What I said then and what I say now is that in Ecuador, despite the dictatorships we have had, we have generally had more freedom and peace than in other countries of the world. We have not had the dictatorships that have existed in other countries of the continent. The reason is that there is love of freedom in Ecuador. This country doesn't tolerate the violation of freedom and of essential human rights. It doesn't tolerate it. This is good and must be encouraged. Perhaps it is the best defense against the onslaught of violence. However, violence will come if we prepare the way for it.

[Question] How has the country, the executive power, the government specifically changed since 24 May 1981 -- since the day that President Jaime Roldos died? Has the form of leadership or style changed? Are there new goals and objectives? Or can we say that there has been no significant change?

[Answer] A new government has existed since 24 May 1981. It is important that this be taken into account. There is a new president. A new president means another point of view, another personality, another style. Men cannot be copies, they can't be exactly alike. However, despite the fact that there is another government and president, there is the same program. The program that we offered the Ecuadorean people in the 1978 and 1979 campaign has been maintained. I intend to carry it through. For example, some Ecuadoreans who tend to believe historical processes don't change predicted that Roldos' foreign policy would change beginning 24 May. Events are showing they were wrong. Why? Because, the foreign policy President Roldos implemented was discussed with me when we were both candidates and we drafted it together. Therefore, I shared his foreign policy views. I have always shared them because they are based on principles that I have believed in throughout my political life.

The fact that the same program continues but there is another government and president means that the administration of the program and the leadership of the government is going to have a different character. I am not saying a better or worse character. I am not making a value judgment. It is going to have different character because the new president's personality, ideology, way of viewing society and his knowledge of the Ecuadorean situation are going to affect his decisions.

[Question] When you spoke about the flow of foreign capital into Ecuador, you said something that I thought was very significant. You said that some foreign investors have more confidence in Ecuador than the businessmen of our country. What does the government specifically intend to do to reestablish the confidence among businessmen?

[Answer] Regarding the basic problem, in 1978 before the first electoral process, Roldos and I appeared on television to explain to the public our government program. In presenting this program, I dealt with the economic sector. I said that we would present to the private sector clear rules of the game that would be respected in our 5-year term. Why? Because I share their viewpoint. The private sector is very sensitive and nervous so it is good that it knows how a government is going to direct the economy and deal with in-depth problems. It needs to know whether or not there is going to be nationalization. The essential thing is that it not be worried.

In this area, the government has been absolutely coherent. I think the government cannot be accused of being guilty of contradiction in this area. The problem is that we no longer know what to do so that the business sectors will gain confidence. If all we said when we were candidates is not enough, if all that was stated in the 21 points of the program is not sufficient, if all that is stated in the national development plan and if what the ministers and the president have said have not been enough, then what does the government have to do to instill confidence among the businessmen?

The fact that a case such as the one you mentioned and others which could also be mentioned cannot give [words indistinct] so that the businessmen will say that there is a process of (nationalization?) or socialization. The facts aren't sufficient to reach that conclusion.

I think the government has done what it should. However, I think there is a factor of distrust which is not only shown in the way that you mentioned but in other ways or in contradictions that might have occurred in the government. The latter have been issues which shouldn't have led to scandals but which were maliciously used to cause scandal. The problem lies in the fact that some business sectors, not all, seek to discredit the government.

I am going to give you an example. A new income tax law is in the Chamber of Representatives. That law was prepared by the Finance Minstry. The then finance minister, Rodrigo Paz, who is a member of the private sector -- he's not a socialist, communist, Christian Democrat or anything like that -- directed the drafting of that law.

An article of that law responds to a very marked concern in Ecuador: the very high income tax rate. The bill introduces a new tax scale by which a man with three children and a wage of about 10,000 sucres a month doesn't pay income taxes. At the same time, taxes are reduced at higher levels. Before, 75 percent of some income was taxed. The bill reduces it to 50 percent. That law responds to the great concern of many workers and also many businessmen. This article of the law is being criticized in internal documents of some business sectors. Why do they criticize it? They say that this law establishes mechanisms so that the state will be able to collect taxes. I therefore have reached the conclusion that some sectors aren't very concerned about a high tax scale. Instead, they don't want the state to be able to collect taxes.

I have given this example because I would like to ask businessmen not to scare other businessmen. They shouldn't issue circulars saying that the monster of state control is coming. They shouldn't make irresponsible statements that don't correspond to the country's true situation. Instead, they should share the optimism that many of us Ecuadoreans have about the country's future and as you have said, that many foreigners have about the country's future. I think confidence will come from this. If some official of the Chamber of Commerce tells businessmen that state control is coming, then he is not helping the businessmen or the country. But if he says businessmen should have confidence in Ecuador and respect the laws, then I think confidence will come. In sum, I think the establishment of confidence in the country is the task of both the government and the business sectors.

[Question] Since we have extensively discussed economic and political subjects, I would like to turn to the international area. You have said that you and Roldos drafted the bases of Ecuador's foreign policy. However, when it was drafted, the situation in Latin America and America in general was different. First, there was republican Reagan's victory in the United States and second, the outbreak of the current Salvadoran crisis. I would think that specific positions on those two situations had not yet been drafted. What position do you and the Ecuadorean Government take regarding President Reagan's foreign policy which in Latin America has been characterized by an evident rapprochement or tolerance toward dictatorial regimes in contrast to President Jimmy Carter's policy? In addition, it has been learned that during her visit Mrs Kirkpatrick, U.S. ambassador to the United Nations, with whom you met, sought to obtain from the government greater understanding and support of that policy in such issues as cooperating in the peace force in the Middle East as proposed by the Camp David agreements and even in a possible diplomatic isolation of Cuba?

[Answer] It is not true that Mrs Kirkpatrick proposed this to the Ecuadorean Government. She limited herself to discussing first of all common subjects because she is also interested in political science as a professor. We then exchanged some ideas on international politics. In truth, she didn't bring any specific message. This is how the talk began: She said she wasn't bringing any proposal or message. It was an open and informal talk. The Ecuadorean Government was not asked to isolate the Cuban Government. If the government had been asked to participate in any action to isolate the Caribbean country, I would have replied that the Ecuadorean Government is not interested in participating in that action.

I don't think that a chief of state, due to the responsibilities he has to the country, should intervene in the domestic affairs of other countries. That is why I have been very prudent in stating my viewpoints on foreign policy. I think that on many occasions, the Ecuadorean public has agreed on the need to have foreign policy handled in this manner. Therefore, I am not going to lecture any country on how it should conduct its foreign policy.

The important thing is that Ecuador's international policy should continue to concern itself with topics of democracy, human rights, self-determination of the peoples, peace and war. Naturally, it must express its opposition to acts of international violence. As for the Salvadoran conflict, this government maintains the thesis that it is necessary, not through belligerent means but through peaceful means, hopefully with the participation of the Salvadoran people and without the intervention of any country, that the conflict be resolved in that Central American country, that there be an end to the bloodshed which horrifies us every day when we read the newspapers and read or hear the communications media.

[Question] [Words indistinct] Nationally and internationally being fully in effect and the Salvadoran opposition's being confirmed in the wake of the Foreign Ministry statement regarding the French-Mexican declaration, not adhering to it but not censuring it either in a communique sent to that Latin American country.

[Answer] (?Our position) regarding El Salvador was expressed approximately 1 year ago by President Roldos in Santa Marta. Therefore, I consider it unnecessary to insist on that line because obviously our stance has not changed.

[Question] Considering the concern of the [words indistinct] to give confidence to the labor and democratic sectors regarding the economy. The problem appears to be at various levels. Mr President, in your position as a Christian Democrat and since the implementation of a strictly Christian Democratic program apparently must be discarded or postponed, first because [words indistinct] and second because according to the party the historic conditions are not present, my question then is, as president of the republic, how do you [words indistinct] as a man of deep Christian Democratic convictions you have the possibility of [words indistinct] to explain this program and [words indistinct] at short term and externally supporting your ideology, excepting the other Christian Democratic parties such as the Venezuelan party, for example, which is precisely with the Salvadoran regime.

[Answer] Perhaps it would be well to distinguish between diverse areas of knowledge. To simplify this, let us refer exclusively to ideology. Ideology is a convergence of principles, a [word indistinct] vision which is valid for all our life as a political organization. The policy, the program, on the other hand, is the securing of these principles by the ideologist of a given circumstance. This is the case with all ideologies, absolutely all of them. Above all, this is true of those which operate in a democratic system. What did we do in 1978? We took from this ideology principles that were valid for given historic circumstances and [words indistinct]. We not only did this, but managed to discuss them with the other political forces with which we went to the elections. This must be taken into consideration. This is a government of two political parties. Then both parties must get together on the program bases that are to inspire their actions. This does not mean renouncing principles or abandoning ideologies. I say that this does not even mean frustrating oneself, because otherwise the parties would disappear once the government ends. Why? Because once the administration ends, it is supposed that the entire ideology had been applied, but this is not so, not even in those countries in which a government reaches power through revolutionary means. There they remain for 20, 30 or 40 years during the revolution. In our case, then, we are applying Christian Democratic principles in this government. The platform, the program bases contained these principles. The development plan contains these principles insofar as they respond to the current reality of Ecuador. For example, this is true of ideological plurality. These principles are genuinely Christian Democratic principles.

One principle typical of the Christian Democratic ideology inspired the former government and the current government both in its domestic and international policy. Popular participation and popular organization. These are Christian Democratic principles that are contained in the development program, were contained in the program carried out by President Roldos and are being considered now in the program being carried out now. There are other Christian Democratic principles which may not be contained in the program and which will not be carried out.

CEPE MANAGER COMMENTS ON OIL SALES ABROAD

PA011947 Quito Voz de los Andes in Spanish 1230 GMT 1 Oct 81

[Text] The sales policy of Ecuadorean crude is changing more and more toward obtaining long-term contracts instead of making spot sales. We are happy about this because with spot sales we end up storing millions of barrels. This was reported by Alfredo Pareja Cucalon, general manager of the Ecuadorean State Petroleum Corporation [CEPE].

[Begin recording] As of June this year we have place 10,000 barrels per day with the Uruguayan Government and 20,000 barrels per day with the Brazilian Government. We are negotiating or have place [as heard] 30,000 barrels per day with the Ecuadorean Government, and we have already placed 75,000 barrels per day with a private company. [Passage indistinct] [end recording]

Congratulations! Cepe's general manager also said that with the upcoming winter season in the North American and European countries he expects an increase in sales as well as in oil prices. Today, [words indistinct] at $32.50 per barrel of Ecuadorean crude.

No Oil for U.S. Reserves

PA300205 Quito Cadena Ecuador Radio in Spanish 2300 GMT 29 Sep 81

[Text] The Ecuadorean natural resources and energy minister, Dr Eduardo Ortega, this morning said the Ecuadorean crude has no unfair competition in the world market, referring to reports to that effect which have been circulating throughout the country. Ortega explained that it is our country's policy not to sell crude for strategic reserves to any nation in the world.

[Begin recording] [Ortega] The problem is that we are not taken seriously in the world market, that is, we can do very little. We have certain maneuverability which is limited by our production, in any case, we try to maintain our prices within the spread of prices of world market.

[Question indistinct]

[Answer] According to information we have, (?Texaco) purchase oil from the Ecuadorean State Petroleum Corporation, CEPE, which it later sold to U.S. strategic reserves. We do not sell to any country for strategic reserves since we consider such sales are not appropriate for our country. However, from the moment a customer purchases our crude, that customer, as the owner of the crude, can sell it to whomever he wants and we have no right to intervene in such a transaction.

Now, if that purchaser sells the crude at a lower price than it paid, that is the purchaser's problem, not ours. Thus, it does not create a problem for us because we have never sold crude to U.S. strategic reserves. [end recording]

Meanwhile, the minister announced that the new prices of Ecuadorean oil will be fixed tomorrow, and expressed the hope that the price of $32.50 per barrel will be maintained.

REACTION TO U.S. CONGRESS APPROVAL OF F-16 SALE

PA020457 Paris AFP in Spanish 1529 GMT 1 Oct 81

[Text] Caracas, 1 Oct (AFP) -- The U.S. Congress decision to sell F-16 planes to Venezuela is a vote of confidence for the Venezuelan Air Force, military spokesmen in this capital commented. Meanwhile, the decision is interpreted as an acknowledgement of this nation's need for this type of equipment and of the air force's capacity to have, operate and maintain it within the framework of security and defense, they added. News cables state that the U.S. Congress concluded the report, recommending that President Reagan's Government be authorized to sell up to 24 F-16 combat planes to Venezuela.

Maximiliano Hernandez Vasquez, air force commander in chief, commented that he was pleasantly surprised with the news, "because we do not yet have official confirmation from the United States." He added: "The information we have had for a few days is that President Reagan will soon introduce in Congress the request for authorization to sell the planes to Venezuela."

The high-ranking official then said that "for us, it is good news, and I believe it must be for all Venezuelans, when the U.S. Congress approves the sale of F-16's to Venezuela, because this has two meanings." In the opinion of Maj Gen Hernandez Vasquez, in the first place, "it acknowledges Venezuela's importance in defense and security programs." In the second place, "it is a vote of confidence for the air force that the U.S. Congress really appreciates the fact that our air force is capable of flying, maintaining and making good use of this plane, as well as being sign of recognition of President Herrera Campins' foreign policy."

RADIO BROADCASTERS CRITICIZE GOVERNMENT MEASURES

PA290057 Caracas Radio Rumbos Network in Spanish 1530 GMT 28 Sep 81

[Commentary by the Venezuelan Chamber of the Radio Broadcasting Industry]

[Excerpts] The measures that the national government has been taking limiting freedom of programming and deteriorating the economic rights of the audiovisual media have been learned abroad. The international public wonders why these measures have been adopted in Venezuela where there is a genuinely democratic regime. Proof of this is a letter from Inter-American Radiobroadcasting Association [AIR] to the president of our chamber. The letter states:

We have learned that the Venezuelan Government has recently issued a number of measures which definitely seem to affect freedom of expression and freedom of enterprise by Venezuela's private radio and television. Some of those measures were analyzed in meetings held by our board of directors in Brasilia, Mexico and Quebec. On each of those occasions, the board expressed its concern over these actions and made this known to your country's government. The latest decrees which have given rise to this note show that one by one, a series of restrictions on freedom of enterprise and freedom of expression have been approved. These restrictions on legal guarantees seem to us to be extremely serious.

Freedom of expression is the bulwark of all essential rights. Venezuela is well known as a democratic country and therefore has been worthy of the permanent respect of the inter-American community of radio broadcasters. Therefore, the Venezuelan Government's restructive attitude against free and private radio broadcasting is even more harmful to democracy than such an attitude in a totalitarian or autocratic state. In view of this situation we believe that AIR must express its alarm since it is extremely dangerous and serious that a communications policy is being implemented in a democratic country apparently directed at undermining the role of a very important sector of its news media.

AIR's alarm is justified due to the subordination of the audiovisual media by the national executive as has been charged by the Association of the Chambers of Commerce and Industry. It is regrettable that these measures have created such a bad image abroad of Venezuelan democracy and have led to the concern of the AIR which includes more than 14,000 radio stations of the Americas. However, the restrictive measures adopted by the Venezuelan Government are to blame for this situation.

MINISTER CRITICIZES TEXACO'S 'DESIRE FOR PROFIT'

PA292224 Madrid EFE in Spanish 0313 GMT 29 Sep 81

[Text] Caracas, 28 Sep (EFE) -- Venezuelan Energy Minister Humberto Calderon Berti today said that "the insatiable desire for profit" of the U.S. firm Texaco which forced Panama and Honduras to raise domestic oil prices may provoke the political destabilization in these countries.

Calderon Berti accused Texaco of preventing these countries from reaping the full benefits of the energy assistance agreement for Central America signed by Mexico and Venezuela.

During a press conference, the minister added that "the refining costs in Panama and Honduras are practically covered. It is not convenient for these governments to raise the domestic price of oil derivatives, but Texaco's attitude is forcing them to do so."

The minister reiterated support for unified oil prices in OPEC according to the formula agreed upon in 1980 in Taif, Saudi Arabia.

"If we wish to keep oil as an important energy source for the future, it is vital to have a unified price policy that, once agreed upon, would be respected by all OPEC members under any circumstances," Calderon said.

According to the Taif agreement, the price of the crude oil was to be set according to the fluctuations of the dollar, the growth of the developed countries and the inflation imported by the developing countries.

ENVOY TO MANAGUA SCORES FRENCH-MEXICAN STATEMENT

PA070247 Caracas Radio Continente Network in Spanish 2200 GMT 6 Oct 81

[Text] (Jose Rafael Zapata), the new Venezuelan ambassador to Nicaragua, said that the recognition of the Salvadoran leftist guerrillas by France and Mexico is an intervention in the internal affairs of El Salvador. (Zapata), who replaced Guillermo Yepez Boscan, made this statement after presenting his credentials at the Nicaraguan Foreign Ministry. (Zapata) said that Venezuela respects the principle of self-determination of countries and that what is taking place in El Salvador is a struggle between the extreme right and the extreme left. He also said that he does not believe that the Salvadoran Christian Democratic junta represents the extreme right. Finally, he reiterated that the attitude assumed by the Governments of France and Mexico is an intervention in the Salvadoran problem and that Venezuela condemns it.

COUNTRY TO OPPOSE RESTRICTIVE MEASURES AT CANCUN

PA041921 Havana International Service in Spanish 1800 GMT 4 Oct 81

[Text] Mexican Secretary of Foreign Trade Hector Hernandez [title as heard -- bureau files have Hernandez listed as under secretary of foreign trade] said his country will not remain passive in the face of restrictive measures imposed by the developed capitalist nations and will strive for the elimination of trade barriers affecting its exports in the world market. The secretary added that Mexico will bring up the matter before the North-South summit slated for 22-23 October in Cancun.

FRANCE SEEKS TO PARTICIPATE IN NUCLEAR PLAN

FL051650 Mexico City NOTIMEX in Spanish 1450 GMT 5 Oct 81

[Text] Mexico City, 5 Oct (NOTIMEX) -- Mexican oil is a guarantee to the world that Mexican national programs such as the one on nuclear energy will be implemented, Bernard Jampsin, an officer of the French Atomic Energy Commission, has stated here.

Remy Carl, director of France's Electricite, said that his country had offered Mexico a nuclear technology which has been developed and tested by France itself. He added that it is less costly to generate electricity through nuclear methods than through traditional oil and coal methods.

He said that in keeping with the Mexican National Energy Plan, France wants to build about 20 nuclear plants in Mexico. He added that this program will be amply discussed by French President Francois Mitterand during his stay in Mexico on the occasion of the North-South summit to be held on 21 October.

It has also been reported that the Mexican Electricity Commission this week will call on all those countries interested in participating in the Mexican nuclear program to submit their proposals and "let the best one win."

NEW SECRETARY OF PROGRAMMING, BUDGET NAMED

FL021742 Mexico City NOTIMEX in Spanish 1730 GMT 2 Oct 81

[Text] Mexico City, 2 Oct (NOTIMEX) -- Ramon Aguirre Velazquez, a public accountant, was sworn in today as secretary of programming and budget replacing Miguel de la Madrid, who resigned his post in the wake of his nomination as the PRI presidential candidate.

DIAZ SERRANO NAMED NEW AMBASSADOR TO USSR

FL060038 Mexico City NOTIMEX in Spanish 0032 GMT 6 Oct 81

[Excerpt] Mexico City, 5 Oct (NOTIMEX) -- Engineer Jorge Diaz Serrano, former director general of Mexican Petroleum (Pemex), was named today Mexico's ambassador to the Soviet Union by President Jose Lopez Portillo. This was reported this afternoon by Mexico's Secretariat of Foreign Relations, which noted that the government of Leonid Brezhnev had already accepted the appointment.

CUBA'S MALMIERCA MAKES STATEMENT DURING STOPOVER

FL021846 Mexico City NOTIMEX in Spanish 1805 GMT 2 Oct 81

[By Francisco Espana]

[Text] Mexico City, 2 Oct (NOTIMEX) -- The policy of U.S. President Ronald Reagan is aimed at increasing international tensions and at forcing Latin American countries to endure dependence through repression, Cuban Foreign Minister Isidoro Malmierca stated on his arrival at the Mexico City Airport in transit to Cuba.

Malmierca said that the U.S. Government policy is provocative, even adventurist, and poses a threat not only to the peoples of Latin America but to the entire world. He also said that the U.S. Government may negatively influence effort's toward making progress in both the international political situation and economic relations among all countries and that those who attend the next Cancun meeting should prevent the United States from interfering with the good pruposes of the meeting.

Malmierca said that at the UN General Assembly he had denounced the war waged by the government of President Reagan against Cuba by increasingly mounting military threats and pressures on the island. He charged U.S. agencies with having carried out a biological warfare which has greatly affected the Cuban crops and people.

Commenting on the situation in El Salvador, he said that the Salvadoran people are struggling in their quest for freedom and denied charges that the Salvadoran guerrillas are being supported by Cuban, Soviet or Nicaraguan agents. He said the Salvadoran people are sufficiently strong to carry on the struggle against imperialism until achieving victory, but emphasized that the desirable thing would be to put an end to the bloodshed through a political solution.

He concluded by stating that his country has consistently supported the Mexican-French proposal in favor of [words indistinct] he said, this would be very favorable first to the Salvadoran people and then to promoting stability in Central America.

SOLIDARITY COMMITTEE CONDEMNS HAWK VIEW EXERCISE

PA052134 Panama City Domestic Service in Spanish 1700 GMT 5 Oct 81

[Excerpt] The Panamanian Committee of Solidarity with the Nicaraguan People has denounced before world opinion the U.S. military maneuvers in Honduras which seek to destabilize the Nicaraguan Governmen.. The announced land, air and sea maneuvers known as Hawk View which will be held 7 to 7 October this year in areas very close to the Nicaraguan Atlantic coast, are a cause of great concern for the Nicaraguan Government and peoples, the committee states in a public document. The document notes that it is necessary to denounce the aggressive policy of U.S. President Ronald Reagan who has set out against Latin America, particularly the peoples of Central America and the Caribbean.

HAITIAN GROUPS ATTEND SOLIDARITY CONFERENCE

PA051930 [Editorial Report] Panama City CRITICA in Spanish on 5 October 1981 publishes an article by Carlos J. Nunez in "The Guest Writer" column on page 6 that includes a list of the 41 Haitian organizations that participated in the Conference of Solidarity With the Haitian People In Panama City 19-21 September. The list is as follows:

1. Alliance of Haitian Emigres in New York
2. Alliance of Haitian Refugees in Miami
3. Haitian Association of Costa Rica
4. A.R.H.C., not further identified, directed by Frank Hyppolite
5. Haitian Refugee Center in Miami
6. Haitian Refugees Collective in France
7. Collective of "Paroles"
8. Ad Hoc Committee of the Haitian Emigres in New York Against Repression in Haiti
9. "Marie France Claude" Defense Committee in Montreal
10. Haitian Democratic Committee in Mexico
11. Montreal Solidarity Committee
12. Quebec Local Solidarity Committee
13. Haitian United Liberation Front (FULHA)
14. Anti-Duvalier Forces (FAD)
15. Group of Haitian Youths
16. Group of Haitian Women
17. Group of Haitian Newsmen Expelled on 28 November 1980
18. HAITI OBSERVATEUR (newspaper)
19. HAITI TRIBUNE (newspaper)
20. Haitian refugee project
21. Haitian Task Force (Washington)
22. Kjanpe (Koumbit Young Haitians in Foreign Countries)
23. National Movement of the Haitian Coast Guardsmen (by Mandate of Col Octabe Cavard)
24. National Democratic Movement of Liberation of Haiti
25. 'Clement Jumelle' Political Sector National Movement
26. Peasant Labor Movement (MOP), of Social Democratic Leanings
27. Haitian Committee of Solidarity Organization, Washington
28. Organization of Haitian Emigres in Miami (Koumbit Libete)
29. 18 May Revolutionary Organization (L'Heure Haitienne)
30. Haitian Christian Democratic Party (PDCH)
31. Haitian Progressive Democratic National Party
32. Unified Party of the Haitian Communists
33. AURORE newspaper of Miami
34. Independent personalities: Maurepas Auguste, Gerald Bloncourt, Jacques Cherry, Yves Doretal, Martha Jean Claud, Gerad Lafontant, Camille Montero
35. Haitian Resistance in Senegal, Africa
36. SEL, magazine, Haitian fathers
37. Solidarite, Haiti-Canada
38. Union of Patriotic Forces of Boston-Haiti
39. Union of Haitian Writers
40. Democratic Union of Haitian Emigres in the Dominican Republic
41. Democratic Union of Haitian Exiles in Venezuela

COSTA RICA

SOLIDARITY MEETING WITH EL SALVADOR CONCLUDES

PA062150 Havana International Service in Spanish 1800 GMT 6 Oct 81

[Text] The Costa Rican national meeting of solidarity with the Salvadoran people and against U.S. intervention in Central America has concluded in San Jose condemning the genocidal Salvadoran regime and the U.S. interference in the domestic affairs of El Salvador. This solidary meeting, which was attended by more than 150 delegates from mass, political, religious and cultural organizations of Costa Rica, stressed the importance of the French-Mexican declaration recognizing the Salvadoran revolutionary groups as a representative force without which no solution affecting the destiny of the Salvadorans can be negotiated.

Those attending the meeting emphasized that the French-Mexican document has received the support of the governments of Austria, Denmark, the Netherlands, Nicaragua, Panama, Norway, Grenada and other countries as well as international organizations. They also emphasized that the increasing military intervention by the United States in El Salvador and its possible direct intervention with troops could lead to the danger of spreading the conflict throughout Central America during times of extraordinary world tension. This represents a threat to peace in the region and the world.

EL SALVADOR

REPORTS ON FURTHER ARMY, GUERRILLA CLASHES

Attack on Convoy

PA051536 (Clandestine) Radio Venceremos to El Salvador in Spanish 1200 GMT 5 Oct 81

[War report from the Francisco Sanchez Eastern Front; no place or date given]

[Text] At 1300 on 2 October FMLN squads ambushed an enemy patrol on the highway leading from Santa Rosa de Lima to the San Sebastian mines, in La Union Department. The enemy convoy included three trucks, two of which were hit by bazooka and rifle fire. In this action the enemy suffered 11 casualties, while our forces captured two rifles, 400 7.62-mm rounds, a 9-mm browning pistol and 20,800 colones in cash. Companeros Rene Espinosa and Joel were killed in this action.

Bomb at Brewery

PA061707 (Clandestine) Radio Venceremos in Spanish to El Salvador 1200 GMT 6 Oct 81

[War bulletin from the Feliciano Ama Western Front in Santa Ana; no date given]

[Text] On 2 October an FMLN unit exploded a powerful bomb at the brewery in Santa Ana. The operation was carried out at 1730 and our forces withdrew without any problem. United to fight until final victory! Revolution or death, we will win.

Army Attack on Town

PA061739 Havana International Service in Spanish 1600 GMT 6 Oct 81

[Text] The Salvadoran genocidal regime launched a heavy mortar attack against the town of (El Cicaro), which is controlled by the Salvadoran FMLN forces. (El Cicaro) is located in the northern zone of Chalatenango Department, where the troops of the dictatorship are uselessly trying to [words indistinct] evict the rebel forces from their positions. The Salvadoran SALPRESS news agency reported that the army of the military-Christian Democratic junta attacked Cinquera Canton, Cabanas Department, also controlled by the revolutionary forces.

It was also learned that 21 Salvadorans were killed by the army and paramilitary gangs in San Salvador and in other cities throughout the country over the weekend.

Meanwhile the Salvadoran human rights committee demanded the freedom of 20 people arrested by the genocidal junta in different places, asked to be told of their whereabouts and demanded respect for their lives. The committee demands an end to repression and the state of siege, and asks the U.S. Government to stop its intervention in El Salvador.

Meanwhile the apostolic administrator of San Salvador, Msgr Arturo Rivera y Damas, expressed opposition to the announced general elections, which the genocidal regime intends to hold next year. We have to remember, he said, that El Salvador has always been the object of mockery in previous elections.

HINTON REMARKS CONTRASTED WITH U.S. ACTIONS

PA061640 (Clandestine) Radio Venceremos in Spanish to El Salvador 1200 GMT 6 Oct 81

[Station commentary]

[Text] Ambition blinds men. Ambition blinded Duarte and led him to become an accomplice of those who did not recognize the 1972 electoral victory and today massacre the people and try, as they did on that occasion, to foil the people's victory. Ambition blinds and brutalizes the senses; it estranges the ambitious from reality. Duarte accuses Mexico and France of intervention because they expressed concern for the suffering of the Salvadoran people and for the need to find a political solution that may lead the country to peace. Duarte speaks of interventionism when he begs and receives the arms and the soiled dollars of intervention, with which the Reagan administration buys on installments and without interest the national sovereignty of El Salvador. Duarte speaks of interventionism when imperialist domination works openly and shamelessly.

Thus we see the Yankee ambassador, with haughtiness and pretence, publicly deciding the nation's fate. He orders the raids in the cities. Deane Hinton decides on Salvadoran economic policy; he decides on the Central Electoral Council; he decides on the need for more Yankee advisers, how many helicopters are needed, how much bombing. Deane Hinton appears in public and expresses an opinion, which becomes an order for Duarte and the military leaders.

Radio Venceremos broke through the walls of imperialism, fooled the U.S. marines guarding the U.S. Embassy in San Salvador and placed its microphones under the nose of the Yankee ambassador, Deane Hinton. Listen to the proconsul of intervention. Listen to Hinton as he speaks about Duarte's request for international intervention to supervise the 1982 elections. Listen to Deane Hinton in his own office in San Salvador: [Recording in English, mostly indistinct] The Yankee ambassador said more or less the following: President Duarte says he wants international supervision of the elections. We have not yet asked for it -- excuse me, please -- he has not yet asked for it. As you can see, Deane Hinton is betrayed by his subconscious, and when he speaks of the decisions adopted by Duarte he says "we", that is, of Hinton and Duarte, because Hinton and Duarte are two different things but a single spirit of intervention and capitulation.

Let us continue foiling the vigilance of the Yankee marines, the armored vehicles and machineguns guarding the Yankee embassy and again enter the offices of the ambassador of intervention and listen to Deane Hinton as he speaks about the Yankee advisers who direct the massacre of our people: [Begin recording in English] And of course we have engaged (?in the rear areas) in training. That seems to be appreciated. There are so few trainers, it is hard for me to be sure what effects this will have, except that I think they symbolize the [words indistinct] at the hands of the Salvadoran army as a symbol that the United States is a friend in time of need. [end recording]

The gringo said: Of course the U.S. military advisers train small units in far-off places. With so few U.S. advisers, it is difficult for me to know the effects this may have on the Salvadoran situation. The U.S. advisers are in El Salvador symbolically: they are welcomed by the hard-hit Salvadoran army; they are welcomed as a symbol that the United States is a friend when needed.

Hinton says the U.S. military advisers are training small units in far-off places. Does the Atlacatl Brigade seem small to Deane Hinton? The Atlacatl Brigade is headed by U.S. officers who at this very moment are massacring women and children in Chalatenango.

Hinton says there are just a few Yankee advisers. Yet at this very moment, for every nine Salvadoran officers there is one Yankee officer and they actually are in charge of waging war against the people.

The Yankee ambassador says the Yankee officers are symbolic. Are the gringos who directed the bombing operation against the civilian population of heroic Guazapa Hill symbolic? Are the U.S. advisers preparing Operation Commando against Radio Venceremos, as revealed by our general command, symbolic?

Hinton says the military advisers are a symbol of what the United States as friends can do in time of need. Whose friends? Friends of the historic traitors who sold the fatherland because the fatherland to them was always made of paper, the green paper of the U.S. dollar?

Never before in the history of Central America has such shamelessness been displayed in interfering in the internal affairs of a nation as is being done at this moment in El Salvador. Intervention is there, and there is no other. In order to spread a smokescreen, however, over this reality, Duarte and the military command claim our struggle is a conspiracy of international communism, and our people, our workers, our peasants ask themselves: Is the exploiting oligarchy a Soviet invention? Are 50 years of misery, sorrow and death the result of intervention by Fidel Castro? Are illiteracy, the child mortality rate, and underdevelopment the product of a foreign conspiracy?

The reasons for our struggle are known by the whole world and described as a struggle against an unjust and corrupt social order which left no alternative to our people. First the official violence prompted us to arm ourselves in defense, and today we continue armed, but to win peace and eradicate despotism. We want a sovereign country, with the participation of broad democratic and revolutionary sectors to lead the Salvadoran destiny. We need to stop further bloodshed as soon as possible. We must stop the lies and treason. Salvadorans, let us organize and unite firmly, join the militias and the war fronts, reinforce the district committees. Soldiers, let us integrate into a new army. Salvadorans, behind these rifles we carry rises the new fatherland with a new life of peace. Salvadorans, organize and unite with all your might and make a reality of the dreams of our martyrs and heroes. United and organized, we will win!

GUATEMALA

TWO SOLDIERS KILLED IN FIGHT WITH REBELS

PA062145 Havana International Service in Spanish 1800 GMT 6 Oct 81

[Text] Two Guatemalan soldiers were killed in a clash with rebels in a downtown street in Guatemala City today.

The AGENCIA DE PRENSA INDEPENDIENTE reported that a group of guerrillas seized a truck carrying gasoline from Puerto Barrios to the capital.

Meanwhile, a communique issued by the Armed People's Revolutionary Organization reported that 25 of its members were killed in clashes 9 and 10 July against 1,600 soldiers of the regime in a sector of Guatemala City. The comminuque added that the enemy sustained 31 casualties during these clashes.

HONDURAS

PAZ SUSPENDS COAST VISIT, MEETS WITH OFFICIALS

PA061649 Tegucigalpa Radio America in Spanish 1145 GMT 6 Oct 81

[Text] President Policarpo Paz Garcia has suspended the visit he was scheduled to make this morning to the Puerto Cortes navy installations, where he was to greet U.S. officers who are going to participate in the joint Hawk View military maneuvers which begin tommorow. Gen Mario Chinchilla Carcamo, armed forces chief of staff, left yesterday in his stead for Puerto Cortes.

Meanwhile Gen Policarpo Paz Garcia will meet this morning with Cabinet members and representatives of the Honduran armed forces superior council. Before deciding last night to remove the secretary and under secretary of finance and public credit, he met with Colonels Torres Arias, Bonilla Blanco, and Gustavo Alvarez Martinez. It was learned that he will continue to hold important meetings this morning with Cabinet members and representatives of the armed forces superior council.

RELATIONS WITH NICARAGUA NORMAL, SAYS MINISTER

PA061647 Tegucigalpa Domestic Service in Spanish 1130 GMT 6 Oct 81

[Text] Relations between Honduras and Nicaragua are as normal as the relations that exist between Honduras and any other country, said Foreign Affairs Secretary Cesar Elvir Sierra. He noted that the Honduran Embassy in Managua has reported that diplomatic ties between the two nations are now better than ever. In saying this, the foreign affairs secretary denied rumors that ties with the Nicaraguan Government had deteriorated in the past few days.

Regarding the Hawk View maneuvers to be carried out jointly by Honduran and U.S. elements. he said this should not be a source of alarm, since the maneuvers do not have interventionist objectives. He said also that this is not the first time that such maneuvers have taken place in the country.

Referring to financial matters, Cesar Elvir Sierra said analysts are studying the budget of the office of the foreign affairs secretary and that it will be equitably distributed among all the departments of his office.

NICARAGUA

ORTEGA UN SPEECH TO COVER CRISIS IN REGION

PA062351 Managua Radio Sandino in Spanish 1800 GMT 6 Oct 81

[Excerpts] Government junta coordinator Commander Daniel Ortega left today for New York to speak before the United Nations. The serious Central American crisis and the situation of the Salvadoran people will be the main topics of his speech.

The chief of state said the purpose of this trip to the United Nations is to present specific proposals concerning the Central American crisis and the serious situation of the Salvadoran people. Although the specific points to be presented by Commander Ortega in his speech have not been revealed yet, it is to be expected that he will protest the aggressive nature of the Hawk View maneuvers by U.S. and Honduran troops on the Atlantic coast of the latter country.

On his way to New York the government junta coordinator will make a brief stop in Mexico City to meet with President Lopez Portillo, to whom he will explain the reasons for his UN speech.

Ortega also said today prior to his departure that two other junta members will travel to Venezuela, Panama and Honduras as part of a diplomatic offensive in which Nicaragua is confronting the threatening U.S. maneuvers.

A direct broadcast from the UN assembly in New York of the speech by Daniel Ortega will be made over Managua Domestic Service at 0845 tomorrow.

The following are Commander Daniel Ortega's words shortly before his departure for New York: [Begin recording] We believe the difficult Central American situation demands a prompt solution and that U.S. policy is edging us toward a more complicated and difficult situation and leading us toward a war, but that there is still time to find a solution to this mistaken U.S. policy. We are also willing to make efforts in this direction. [end recording]

'Specific Proposal' on El Salvador

PA061930 Panama City ACAN in Spanish 1807 GMT 6 Oct 81

[Text] Managua, 6 Oct (ACAN-EFE) -- Commander Daniel Ortega, coordinator of the junta of the Government of National Reconstruction, announced today that Nicaragua will offer a "specific proposal" tomorrow before the United Nations regarding a solution to the Salvadoran conflict. The Nicaraguan proposal, still not defined, will be made by Commander Ortega Saavedra tomorrow before the 36th UN General Assembly session.

In a statement to newsmen at Sandino airport, Daniel Ortega disclosed that he will brief Mexican President Jose Lopez Portillo on the proposal during a meeting today with the Aztec president at his Los Pinos residence.

Writer Sergio Ramirez, member of the Nicaraguan junta, left today for Caracas to meet with Venezuelan President Luis Herrera Campins to inform him in advance of the content of the speech to be made by Commander Ortega at the United Nations. Conservative lawyer Rafael Cordova Rivas, also a member of the Nicaraguan junta, left for Honduras to meet with President Policarpo Paz Garcia with the same purpose. The Sandinist government explained that Costa Rican President Rodrigo Carazo is also being briefed through diplomatic channels on the Nicaraguan proposal which seeks to find a solution to the Salvadoran conflict.

According to Commander Ortega before leaving today for New York, Ramirez Mercado plans to return to Managua after meeting with President Herrera Campins for a meeting with Panamanian President Artistides Royo, whom he will also inform in detail on the Nicaraguan proposal.

Responding to an ACAN-EFE question, Commander Ortega Saavedra, who was seen off with special honors, said that in the absence of the three members of the government junta, the executive branch will be assumed by Planning Minister Henry Ruiz and Rodrigo Reyes, minister-secretary of the junta. Nonetheless, the first to return to the country after completing his diplomatic mission will be Rafael Cordova Rivas, who is scheduled to return today from Honduras.

Asked why Honduras, Costa Rica, Venezuela, Mexico, and Panama were included in the diplomatic offensive, Commander Ortega replied: "Because these countries have been living with the problem."

BORGE TERMS THREAT OF AGGRESSION 'REAL'

PA070412 Managua Domestic Service in Spanish 0031 GMT 7 Oct 81

[Speech by Commander of the Revolution, Tomas Borge at the Plaza in Ciudad Sandino, Managua, as part of event held after a march to protest the Hawk View exercise in Honduras -- live]

[Excerpts] While we are trying to solve our country's problems we are being threatened and slandered from all sides, from inside and outside the country. However, our people, increasingly aware of this, are getting ready for defense because we are completely sure that the danger of being attacked is real. We are not the kind of people who go around inventing aggression. If the reactionary sectors of the United States have been capable of attacking other countries why should we believe we won't be attacked?

If a revolution does not prepare for its defense and a revolution has no desire for defense, it can no longer be a revolution. If we don't keep on our toes, we will be left behind. [applause]

There are certain gentlemen [words indistinct] saying that the Hawk View maneuver is nothing special or dangerous and that it was a pretext used by the Sandinists to arm themselves more. They are saying there is no danger or conspiracy here. They are saying there is no reaction and that what we have here is aggression by the Sandinists against the poor gentlemen of the bourgeoisie. They are saying imperialism is an inoffensive dove, not a raven or a bird of prey. This is what these gentlemen are saying in neighboring countries. We wish we could bring them here so they can tell you all that. These are gentlemen whose name I'd rather not mention. These are gentlemen who are discrediting or trying to discredit our revolution. They are dumb, shortsighted and [word indistinct] and of course they call themselves revolutionaries.

Exercise Increases Uncertainty

PA062309 Managua Radio Sandino in Spanish 1200 GMT 6 Oct 81

[Text] Commander Jaime Wheelock Roman, minister of agricultural development and agrarian reform, has charged in Mexico that the upcoming military maneuvers of the Honduran and U.S. armies intensify the climate of uncertainty existing in Central America.

Wheelock noted that the U.S. military presence in the region emphasizes the aggressive and warmongering nature of the Reagan administration. He condemned the Hawk View maneuvers and charged that these represent a threat to our country. He said while all the other democratic countries in the world are working for solution of the problem of detente and world stability, Reagan approved a new military program and is determined to set the world on fire.

He added that he is visiting Mexico because his country is very interested in discussing with the Mexican Government the various alternatives for a political and definitive solution to the conflicts of the region.

He concluded by saying that in the wake of the French-Mexican declaration recognizing the Salvadoran revolutionary forces, a climate of democracy and hope developed among the progressive movements of the region who hope that this initiative will result in a solution to the Salvadoran crisis.

BELGRADE RADIO CITES CUBA'S INTERNATIONAL ACTIVITY

AU051858 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 5 Oct 81

[Text] Today in Havana, capital of Cuba, the second festival of radio stations of nonaligned countries will open. We have received the following report from Milutin Milenkovic in Havana.

A few days ago in Havana, the 9-day conference of the IPU concluded; today the second festival of radio stations of nonaligned countries will open here; and the fourth conference of the front organizations of socialist countries is also scheduled to be held here immedately after the congress of Cuban Committees for the Defense of the Revolution. thus, within a mere 30 days, Havana conspicuously demonstrates Cuba's aspiration to play as active a role as possible in all spheres of international life, that is, in such a universal sphere as is represented by the IPU, in the nonaligned sphere and especially in the sphere of cooperation with socialist countries. This last orientation of Cuba's international activity is not at all the least important. On the contrary, a primary importance is attached to it here. Even the activity of Cuba as the coordinator of the nonaligned movement during the period between two conferences is very conspicuously and expressly placed in the service of the thesis of the so-called natural alliance bewtween the nonaligned movement and the countries of the socialist community, that is, the Warsaw Pact.

The unfavorable course of Cuban-American relations, the increased general international tension and an increasingly difficult domestic economic situation form that necessary framework within which it is necessary to seek an explanation for this Cuban political climate. Many openly cold war tones of the Reagan administration have been used by Cuban President Castro to make new, very grave accusations against Washington. At the IPU conference in Havana, which was attended among others by representatives of the United States, Fidel Castro said among other things that a fascist embryo of rule in that country has formed around President Reagan. This statement was received as a gross insult and as a sign of readiness for even sharper conflicts with the United States and certainly not as a continuation of recent efforts to normalize relations between Cuba and its big northern neighbor.

The Soviet observers were very pleased with this attitude by Castro. In the same way, Cuban views on the Polish events coincide with the views of Moscow, Berlin and Prague. The Cuban press and radio broadcasts treat the Solidarity trade union as antisocialist counterrevolutionary but note that the Poles themselves must settle that. Havana makes virtually no attempt to hide the fear that an internationalization of the sociopolitical conflict in Poland and its possible transfer to the sphere of a military settling of accounts could also be very dangerous for the relations between the United States and Cuba.

It has been unofficially learned from a well-informed source in Havana that a contingent of Cuban units that were ready to depart for Africa to assist Angola in its defense against the racist aggression from the south have been retained in the country because of a possible increase in tension in the Caribbean. It is under large illuminated or especially built slogans proclaiming that the people will never surrender, that vigilance is our primary characteristic and that defense and production are the main duties of Cuban citizens that many political meetings and rallies are held at which further necessary deprivations and difficulties in the economic fields are being announced. The Soviet Union's aid plays the decisive role in overcoming these difficulties, including the difficulty for instance of the need to import 12 million tons of crude oil and oil byproducts annually. The Soviet Union is shipping oil to Cuba at guaranteed and reasonable prices and is buying its sugar under long-term contract conditions, although world sugar prices have once again decreased considerably.

Under these circumstances, the Cuban concept of nonalignment constantly manifests itself as a struggle for as firm a reliance as possible on the Soviet Union and, at the same time, for retention of the breadth of the front and the support represented by the nonaligned majority of mankind today.

NICARAGUAN ON RADIO STATIONS' ROLE IN REVOLUTION

PA070250 Havana International Service in Spanish 0000 GMT 7 Oct 81

[Text] Jose Blandon [Nicaraguan representative at the radio festival in Cuba] noted the role played by Nicaraguan radio stations in support of the struggle for liberation and the tasks carried out to consolidate the evolutionary process.

After thanking Cuba for the technical assistance it is giving to Nicaragua in this regard, Blandon said that Nicaraguan radio stations will always defend the Sandinist revolution and the struggle for liberation currently being waged by the other peoples of Latin America and the world.

CASTRO, SAO TOME PRESIDENT HOLD TALKS 5 OCT

FL061128 Havana Domestic Service in Spanish 1045 GMT 6 Oct 81

[Text] Commander in Chief Fidel Castro, first secretary of Cuba's Communist Party Central Committee and president of the Council of State and government, yesterday afternoon held talks with Manuel Pinto da Costa, president of the liberation movement and of the Democratic Republic of Sao Tome and Principe.

During the talks, which were held in a fraternal atmosphere, topics dealing with bilateral relations, the development of cooperation and an examination of the international situation were discussed.

BRIEFS

YUGOSLAV PARTY DELEGATION -- The Yugoslav delegation headed by Vuko Vukadinovic, secretary of the Presidium of the League of Communists of Montenegro's Central Committee, held a work meeting today at the Communist Party of Cuba Central Committee headquarters. The Yugoslav delegation was received by Felix Perez and Roberto Lopez, department and section chiefs, respectively, of the Central Committee's state and judicial organs, and by Juan Cardenas, an official of the party's general department of foreign relations. They discussed the work carried out by the two nations' communist organizations. Radomir Zecevic, political counselor at the Yugoslav Embassy in Cuba, also attended the meeting. [Havana Domestic Service in Spanish 2130 GMT 6 Oct 81 FL]

'BARBADOS MARTYRS' ANNIVERSARY -- Our people honored the memory of the brothers who died in the criminal sabotage of the Cubana de Aviacion airplane off Barbados 5 years ago during a ceremony this afternoon at the Jose Marti International Airport in Havana. Commander of the Revolution Guillermo Garcia, a member of the party's Politburo and minister of transportation, made the closing remarks. Also present at the ceremony were Politburo member Jorge Risquet, Nicaraguan Transportation Minister Carlos Zaruk and the ambassadors of the DPRK and Guyana. [Havana Domestic Service in Spanish 2300 GMT 6 Oct 81 FL]